As a courtesy, attached is a **<u>sample format</u>** of a Refunding Bond and Release form. (if you would like this form emailed to you for easier completion, please email this office at <u>surrogate@salemcountynj.gov</u>.

- 1. Each beneficiary of the estate, including the Administrator/Executor, if a beneficiary also, will need to fill out and sign in front of a notary, a Refunding Bond and Release, to be filed with the Surrogate's Court.
- 2. You may re-type or make a copy of the form provided.
- 3. The filing fee is \$10.00 (not more than two pages) for each Refunding Bond and Release, payable to the Salem County Surrogate's Court. Add \$5.00 for each additional page to the form.
- 4. Provide the Surrogate's Court with an original Refunding Bond and Release, to be filed and a copy of each Refunding Bond and Release, to be file-stamped for your records.
- 5. The Surrogate's Court will then issue a Surrogate's Certificate (\$5.00 fee) for presentation to the bonding agent to get released from the bond.

When using the form you will see words italicized, underlined, and blank spaces. These are areas for you to complete. This allows the document to be specific to your situation.

You may re-type or photocopy as many as needed. If you would like this form emailed to you for easier completion, please email us at surrogate@salemcountynj.gov and we will forward to you.

<u>CANCELLING A SURETY BOND</u>: After filing the necessary Refunding Bond and Release(s), a Surrogate's Certificate of Release is required to present to the bonding company to cancel the bond so that the estate will not continue to be billed for the bond. The Surrogate's Certificate fee is \$5.00.

## **REFUNDING BOND AND RELEASE**

**N.J.S.A. 3B:23-24**. Refunding bond of devisee or distributee.

A personal representative shall, on paying a devise or distributive share or on delivering an instrument of distribution to the person entitled, take a refunding bond therefore, to be filed in the office of the surrogate of the county wherein he received his letters or in the office of the clerk of the Superior Court, if he received his letters from the Superior Court.

**N.J.S.A. 3B:23-25**. Amount of bond; form. The bond required under N.J.S. 3B:23-34 or N.J.S. 3B:23-33 shall be in the amount or value of the devise or allotted distributive share and shall be sufficient, if signed by the devisee or distribute, or his guardian, as the case may be, without any sureties whatever.

**N.J.S.A. 3B:23-26**. Condition of devisee's bond. The bond of a devisee shall be conditioned substantially as follows: That if any part or the whole of the devise shall at any time thereafter be needed to discharge any debt or debts, devise or devises, which the personal representative may not have other assets to pay, he the devisee, will return his devise or that part thereof as may be necessary for the payment of the debts, or for the payment of a proportional part of the devises. **N.J.S.A. 3B:23-27**. Condition of distributee's bond. The bond of a distribute shall be conditioned substantially as follows: That if any debt or debts, truly owing by the intestate, shall be afterwards

sued for an recovered or otherwise duly made to appear, and there shall be no other assets to pay,

he shall refund and pay back to the administrator his ratable part of the debt or debts, out of the part and share so allotted to him.

By statute (N.J.S.A. 3B:23-24) an Executor or Administrator is required on paying a beneficiary his/her share of the estate, to take a Refunding Bond and Release from the beneficiary and to file the bond in the Surrogate's Court. The statute requires that the Refunding Bond and Release be in the amount or value of the beneficiary's share of the estate. The Refunding Bond and Release must be signed by the beneficiary before a Notary Public or attorney. If the beneficiary is a minor or incapacitated person, the Refunding Bond and Release must be signed by the guardian of the property.

The Refunding Bond and Release has a dual purpose:

REFUNDING - To refund to the Executor or Administrator out of his/her share of the estate his ratable part of any unpaid debts, owed by the testator or intestate, if there are no other assets to pay them.

RELEASE - To discharge the Executor or Administrator of an estate of his/her duties upon distribution to the beneficiary of his/her share of the estate.

In an Administration that required a Surety Bond, the Administrator must request a Surrogate's **Certificate of Release** from the Surrogate at the time he/she files the Refunding Bond and Release. A Surety Bond will not be cancelled by the insurance agent unless the Certificate of Release is presented to the agent.

It is necessary to file the completed Refunding Bond and Release from each beneficiary of the estate with the Surrogate's Court. The statutory fee for filing is \$ 10.00 per bond and \$ 5.00 for the Certificate of Release.

The Refunding Bond and Release is a standard legal form that can be found on this WEB Site or at specialty stationery stores. The two most common legal forms are produced by:

Blumberg Excelsior, Inc Form T987
All-State Legal Supply Co. Form 4009S

Your attorney also will provide you with a Refunding Bond and Release upon request or prepare the Refunding Bond and Release for you.

Rev Feb 2014

## **REFUNDING BOND AND RELEASE**

IN THE MATTER OF THE ESTATE OF:	SALEM COUNTY SURROGATE'S COURT
, DECEASED	
	DOCKET NUMBER:
I am(Beneficiary's Name and Address)	
Turn a perionally (or new) or this estate and t	receive the sum of \$(Amount and/or items received)
from the Executor/Administrator	utor/Administrator)
Upon receipt of this distribution, I am hereby	obligated to refund any portion of this distribution
should such refund be required by the Executor	r/Administrator to discharge all proper debts and
obligations of the estate. My obligation extend	ls to my heirs, Executor or Administrator. I
acknowledge the informal closing of the estate	
	receive from the Executor/Administrator the
sum of \$(Amount received)	representing distribution to me as an intestate heir
of this estate or as a beneficiary under the Will	if the decedent died testate.
And in consideration thereof, I release a	and forever discharge the Executor/Administrator
from all claims and demands whatsoever in res	spect to the estate of the deceased and my interest
therein.	
Sworn to and subscribed before me this day of , 20	Beneficiary signature
(signatur	Beneficiary printed name
Notary Public printed name State of	<i>-</i> ,
My Commission expires:	

Rev. Feb. 2014